

Freedom and Prosperity PAC

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COMMISSION

Post Office Box 984, Willows, CA 95968

2012 MAR 13 AM 8:52

CELA

March 11, 2012

Donna Rawls
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: RR 12L-03 (Freedom and Prosperity PAC)

Dear Ms. Rawls,

This response is on behalf of Freedom and Prosperity PAC (the Committee) in the matter designated RR 12L-03. In your letter of January 25, 2012, you referenced three amended reports, the 2010 October Quarterly Report, 2010 12 Day Pre General and the 2010 30 Day Post General Report on which additional disbursements totaling \$116,002.94 and additional receipts of \$68,628.54 were disclosed which were not disclosed on the original reports.

The omitted entries were initially discovered by the Committee's treasurer. During a review of the Committee's records, the treasurer discovered that transactions from one of our fundraising vendors had not been accurately disclosed. The process is to receive data files from the vendor and import into the Committee's database for each quarter. The Committee did not properly import all the data which resulted in data being wrong and accordingly, data was not accurate on the regular FEC reports.

Following the discovery of these reporting errors, the Committee undertook an internal review of its compliance procedures. The Committee has updated its internal processes for dealing with data from our outside providers. The treasurer has implemented online banking access for the account in which the fundraising vendor deposits the receipts on behalf of the Committee. Specifically, the Committee is changing its data importing procedures and will be performing data imports on a monthly rather than quarterly basis.

The Committee has taken steps to correct the public record by filing amended reports, reviewed its own internal recordkeeping and reporting processes and upgraded the technology it uses to collect information. Additionally, the Committee plans to change its monthly reconciliation procedures which will provide for a monthly internal audit of its finances. In other words, the Committee has already – on its own initiative – undertaken the remedial steps that are often included in settlement agreements.

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The Committee apologizes for the delay in their response; we did not clearly read the requirements of the response time. The Committee looks forward to reaching a speedy and fair resolution of this matter. Please feel free to contact us if you require any additional information.

Sincerely,



Kelly Lawler

Treasurer

Freedom and Prosperity PAC

Phone: 530-934-5823

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